

BACKGROUND

This rate reduction is submitted in accordance with the Illinois Commerce Commission's Order in Docket 08-0249, dated June 25, 2008, determining the final calculation of the Price Cap Index (PCI) to be used for the twelve month period July 2008 through June 2009. The PCI, based on the above Order and the PCI of 89.7750 developed last year as a result of the Order in Docket 07-0234 and calculated as follows:

$$\text{PCI} = \text{PCI of prior year times } \frac{\% \text{ Change in the GDPPI}}{(1 + .0264 - .043 + Z + Q)}$$

GDPPI = Gross Domestic Product Price Index

.043 = Fixed productivity offset (X-factor)

Z = any exogenous change

Q = any negative service quality adjustment

$$\text{PCI} = 89.7750 \times (1 + .0264 - .043 + (-0))$$

$$\text{PCI} = 89.7750 \times (.9834)$$

$$\text{PCI} = 88.2849$$

There was no exogenous change and no service quality adjustment.

A narrative description of the changes in each of the service baskets as a result of the Order in Docket 08-0249 is attached.

ILLINOIS
COMMERCE COMMISSION
2008 JUL -7 1 A 10:51
CHIEF CLERK'S OFFICE

Description of Changes to Rates in the 2008 Annual Rate Filing

AT&T Illinois is proposing the following changes to its prices based on a submitted Price Cap Index (PCI) of 88.2849. The changes are presented by service basket.

- **Residence Basket**

Rate decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Usage MSA 2-16 Band A off-peak, per call	\$0.0249	\$0.0203
Usage MSA 2-16 Band A peak, per call	\$0.0249	\$0.0203
Usage MSA 2-16 Band A shoulder, per call	\$0.0249	\$0.0203
Usage MSA 2-16 Band B off-peak, per call	\$0.0249	\$0.0203
Usage MSA 2-16 Band B peak, per call	\$0.0249	\$0.0203
Usage MSA 2-16 Band B shoulder, per call	\$0.0249	\$0.0203

The total proposed Residence Basket reduction is **\$615,400**.

- **Packages Basket**

Rate decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
uSelect3 Package, MSA 2-16 primary line, Area C	\$22.65	\$22.10
Consumer Choice Plus, Area C	\$21.00	\$19.85

The total proposed Packages Basket reduction is **\$1,201,356**.

- **Other Basket**

Rate decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Caller ID, MSA 2-16	\$4.41	\$3.99
The WORKS Package, MSA 2-16	\$15.50	\$14.95

The total proposed Other Basket reduction is **\$477,890**.

- **Carrier Basket**

The total proposed reduction in the Carrier Basket is **\$1,330,466**.

The following are Resale price changes:

Service Description	Current Price	Proposed Price
Caller ID – Res	\$1.17	\$0.78
The WORKS® Package – Res	\$3.22	\$2.95
Consumer Choice Plus Package, Area C, mo.	\$15.10	\$13.50
uSelect3 Package, Area C (main/primary line)	\$14.24	\$13.90
Usage MSA 2-16 Band A – Peak	\$0.02100	\$0.01700
Usage MSA 2-16 Band A – Shoulder	\$0.02130	\$0.01730
Usage MSA 2-16 Band A – Off Peak	\$0.02090	\$0.01740
Usage MSA 2-16 Band B – Peak	\$0.02120	\$0.01720
Usage MSA 2-16 Band B – Shoulder	\$0.02150	\$0.01740
Usage MSA 2-16 Band B – Off Peak	\$0.02150	\$0.01750

The following are proposed price changes for Switched Access service:

Service Description	Current Price	Proposed Price
Access Order Modification, per order	\$26.50	\$24.70
SS-7 IAM Signal Formulation	\$0.000518	\$0.000451
SS-7 IAM Signal Tandem IAM	\$0.000358	\$0.000316

The total proposed reduction for all baskets is **\$3,625,112**.

ATTACHMENT TO ADVICE NO. IL-08-18460

Telecommunications Services Tariff, III. C.C. No. 20

<u>Part</u>	<u>Section</u>	<u>Revised Tariff Sheets</u>	
		<u>Revision No.</u>	<u>Sheet No.</u>
4	2	15 th	754.1
7	2	13 th	4.1
7	5	9 th	34
20	7	6 th	10
20	7	1 st	38
22	3	14 th	4.5
22	7	12 th	4
		12 th	12
		6 th	33
		5 th	48

Telecommunications Services Tariff, III. C.C. No. 21

<u>Part</u>	<u>Section</u>	<u>Revised Tariff Sheets</u>	
		<u>Revision No.</u>	<u>Sheet No.</u>
	5	1 st	92.1
	6	7 th	213.1
		8 th	220.5

PART 4 - Exchange Access Services
SECTION 2 - Exchange Lines and Usage

15th Revised Sheet 754.1
Cancels 14th Revised Sheet 754.1

5. USAGE SERVICES IN MARKET SERVICE AREAS 2, 3, 6, 7, 9 AND 15 (cont'd)

5.4 Usage Charges (cont'd)

A. Residence Schedules (cont'd)

1. Residence Usage Service

Band	Rate	Peak Period Charge	Shoulder Peak Charge	Off Peak Charge
A	Per Call	\$.02030(R)	\$.02030(R)	\$.02030(R)
B	Per Call	.02030(R)	.02030(R)	.02030(R)

2. Peak period rates are applicable for calls between 9:00 a.m. and ¹¹/11:00 a.m., and between 2:00 p.m. and ¹¹/8:00 p.m., Monday through Friday. Discount period rates are applicable as follows: Shoulder Peak for calls between 8:00 a.m. and ¹¹/9:00 a.m., 11:00 a.m. and ¹¹/2:00 p.m., 8:00 p.m. and ¹¹/9:00 p.m., Monday through Friday; Off Peak for calls between 9:00 p.m. and ¹¹/8:00 a.m., Monday through Friday, and 9:00 p.m. Friday through ¹¹/8:00 a.m. Monday. Calls overlapping these periods will be rated as specified in C. following. Shoulder Peak discount does not apply to Business Operator Assisted Band C Usage.

/1/ To but not including.

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By Mary Pat Regan, Executive Director - Regulatory
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TFA No. IL-08-18460

PART 7 - Central Office Optional Features
SECTION 2 - Advanced Custom Calling Features

13th Revised Sheet 4.1
Cancels 12th Revised Sheet 4.1

1. ADVANCED CUSTOM CALLING SERVICES (cont'd)

C. Rates and Charges

Description /Billing Code/	Monthly Rate, per line
	Residence
Each feature, per line equipped	
Caller ID /NSD/	\$3.99(R)
Caller ID with Name ^{1/} /NNK/	.71

^{1/} Customers subscribing to this service must also subscribe to Caller ID.

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PART 7 - Central Office Optional Features
SECTION 5 - Other Central Office Optional Features

9th Revised Sheet 34
Cancels 8th Revised Sheet 34

12. CONSUMER'S CHOICE PLUS (cont'd)

D. Prices

The rates specified for the Consumer's Choice Plus are as follows:

1. Service Elements

<u>Description</u>	<u>Monthly Rate</u>
Consumer's Choice Plus	
- Access Area A	\$16.00
- Access Area B	19.00
- Access Area C	19.85(R)

E. References

The Consumer's Choice Plus components are provided in accordance to the Terms and Conditions of their applicable ILL. C.C. No. 19 tariffs except as noted in Sections C. and D. of this Tariff.

<u>Service</u>	<u>Reference</u>
Residence Network Access Line	Part 4, Section 2
Residence Saver Pack Unlimited	Part 4, Section 2
Call Waiting	Part 7, Section 1
Three Way Calling	Part 7, Section 1
Call Forwarding	Part 7, Section 1
Speed Calling 8	Part 7, Section 1
Automatic Callback	Part 7, Section 2
Repeat Dialing	Part 7, Section 2
Caller ID	Part 7, Section 2
Voice Mail Features package	Part 7, Section 3
Busy Line Transfer, Alternate Answer and Message Waiting Tone	Part 7, Section 3

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5. THE WORKS® (cont'd)

D. Prices (cont'd)

The rate specified for The WORKS is in addition to applicable Service Charges for the establishment of network access lines.

1. Service Elements

Description /Billing Code/	Nonrecurring Charge
The WORKS ^{/1/} /NLUZ1/	\$14.95(R)

/1/ The monthly price does not change when customer omits Call Waiting.

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20. uSelectSM 3 (cont'd)

C. Terms and Conditions (cont'd)

10. Features and services purchased in excess of those allowed in the packages will be charged at their standard tariff rates.
11. Customers may change one or both of their selectable features and there are no applicable nonrecurring charges for such changes.
12. Only one uSelect package can be ordered per account.
13. The features must be ordered on the main or primary network access line.
14. The features may only be purchased as a monthly subscription. Pay per use features and their associated charges are not included in the uSelect price.

D. Prices

The rates specified for uSelect3 and 2-Line uSelect3 are as follows:

Description	Monthly Rate
Main or Primary Line Only	
uSelect3, Access Area C	\$22.10(R)
Main or Primary Line and Additional Line	
2-Line uSelect3, Access Area C	28.95

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4. USAGE SERVICES IN MARKET SERVICE AREAS 2, 3, 6, 7, 9 AND 15 (cont'd)

4.2 Usage Charges

A. Residence Schedules

1. Residence Usage Service

Band	Rate	Peak Period Charge	Shoulder Peak Charge	Off Peak Charge
A	Per Call	\$0.01700(R)	\$0.01730(R)	\$0.01740(R)
B	Per Call	0.01720(R)	0.01740(R)	0.01750(R)

2. Residence 5 & 5 Calling Plan^{/1/}

(For Service Description, Terms and Conditions, see Ill. C.C. No. 20, Part 4, Section 2.)

a. Charges vary by Band

Band	Initial and Subsequent Time Period	Initial Period Charge	Subsequent Period Charge
A	Untimed	\$0.0443	N/A
B	1 Min.	.0436	\$.0405
C	1 Min.	.0442	.0420

/1/ Residence 5 & 5 Calling Plan will not be provided to new Carriers on and after November 7, 2001. A Carrier with the Residence 5 & 5 Calling Plan on file in this section, on or prior to, November 7, 2001, may continue to receive such service under such arrangement provided. However, that such Carrier may not extend, renew, or otherwise lengthen the term of such arrangement. Residence 5 & 5 Calling Plan will be withdrawn on November 7, 2002.

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CUSTOM CALLING FEATURES (cont'd)

Advanced Custom Calling Features (cont'd)

Description	Monthly Price	
	Residence	Business
<u>Caller ID</u> For each customer line on which Carrier resells Caller ID, displays incoming number on a Customer provided display device attached to line or telephone or answering machine with a built in screen.	\$.78(R)	\$3.07
<u>Caller ID with Name</u> For each customer line on which Carrier resells Caller ID with Name, displays the listed name associated with the number on the Customer provided device.	0.32	1.12

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PART 22 - Resale Local Exchange Service
SECTION 7 - Central Office Optional Features

12th Revised Sheet 12
Cancels 11th Revised Sheet 12

THE WORKS® PACKAGE^{/3/}

A. Description

For Service Description, see Ill. C.C., Tariff 20, Part 7, Section 5.

B. Definitions

The WORKS^{/1/} package includes the following services as indicated:

- Call Waiting^{/2/}
- Call Forwarding
- Three Way Calling
- Repeat Dialing
- Automatic Callback
- Caller ID
- Caller ID with Name

C. Terms and Conditions

For Terms and Conditions, see Ill. C.C., Tariff 20, Part 7, Section 5.

D. Features

The rate specified for The WORKS is in addition to applicable Service Charges for the establishment of network access lines.

1. Standard Features

Description /Billing Code/	Monthly Price
The WORKS ^{/2/} /NLUZ1/	\$2.95(R)

/1/ The WORKS also includes Speed Calling 8 which is offered in Ill. C.C. No. 19, Part 7, Section 1, Sheet 3.

/2/ Call Waiting may be omitted from The WORKS at the customer's request and the monthly price does not change when customer omits Call Waiting.

/3/ The WORKS will not be provided to new Carriers on and after April 28, 2003. A Carrier with The WORKS Package on file on or prior to April 28, 2003 may continue to receive service under such arrangement provided, however, that such Carrier may not extend, renew, or otherwise lengthen the term of such arrangement.

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12. CONSUMER'S CHOICE PLUS (cont'd)

D. Prices

The rates specified for the Consumer's Choice Plus are as follows:

1. Service Elements

Description	Monthly Rate
Consumer's Choice Plus, per line	
- Access Area A	\$10.30
- Access Area B	13.05
- Access Area C	13.50(R)

E. References

The Consumer's Choice Plus components are provided in accordance to the Terms and Conditions of their applicable ILL. C.C. No. 19 tariffs except as noted in Sections C. and D. of this Tariff.

<u>Service</u>	<u>Reference</u>
Residence Network Access Line	Part 22, Section 3
Residence Saver Pack Unlimited	Part 22, Section 3
Call Waiting	Part 22, Section 7
Three Way Calling	Part 22, Section 7
Call Forwarding	Part 22, Section 7
Speed Calling 8	Part 22, Section 7
Automatic Callback	Part 22, Section 7
Repeat Dialing	Part 22, Section 7
Caller ID	Part 22, Section 7

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PART 22 - Resale Local Exchange Service
SECTION 7 - Central Office Optional Features

5th Revised Sheet 48
Cancels 4th Revised Sheet 48

20. uSelectSM3^{/1/} (cont'd)

D. Prices

The rates specified for uSelectSM3 and 2-Line uSelectSM3 are as follows:

Description	Monthly Rate
Main or Primary Line Only	
uSelect SM 3, Access Area A	\$14.00
uSelect SM 3, Access Area B	14.87
uSelect SM 3, Access Area C	13.90(R)
Main or Primary Line and Additional Line	
2-Line uSelect SM 3, Access Area A	15.46
2-Line uSelect SM 3, Access Area B	17.92
2-Line uSelect SM 3, Access Area C	17.92

uSelectSM3 Win/Winback Offering

Carrier's eligible customers who subscribe to the uSelectSM3 package will receive the following uSelectSM3 package price reduction for 12 months:

Access Area A = \$5.00 Access Areas B or C = \$6.00

Carrier's eligible customers are those residence customers who currently have their network access service with another carrier and now wish to establish network access service with the Carrier.

Carrier's eligible customers who subscribe to the uSelectSM3 package will receive a monthly credit for the first 12 months of service as long as they retain the package. Any Carrier's customer who discontinues the uSelectSM3 package prior to the required 12-month commitment will forfeit any remaining credits. Previous credits will not be charged back to the Carrier's customer if they disconnect their uSelectSM3 package prior to the required 12-month commitment. This discount cannot be combined with any other uSelectSM3 offer unless specified elsewhere in this tariff.

Carrier's customers who take this discount and later wish to upgrade to a uSelectSM6, a 2-Line uSelectSM6 or a 2-Line uSelectSM3 package, may do so, and will continue to receive the remaining benefits of this offer.

- /1/ The uSelectSM3 package will not be provided to new Carriers on and after January 1, 2008. A Carrier with a uSelectSM3 package on file on or prior to January 1, 2008, may continue to receive service under such arrangement provided, however, that Carrier may not extend, renew, or otherwise lengthen the term of such arrangement.

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ACCESS SERVICE

5. Ordering Options for Switched and Special Access Service (cont'd)

5.2 Access Order (cont'd)

5.2.2 Access Order Modifications (cont'd)

A. Service Date Change Charge/Dispatch Charge (cont'd)

If the customer reschedules the service date, a Service Date Change Charge, as set forth following will also apply. If the customer cancels the service date, cancellation charges will also apply in accordance with terms and conditions for cancellation charges as set forth in 5.2.3 following. Cancellation of the order will not preclude the application of the Service Date Change Charge and/or the Service Date Change Dispatch Charge assessed for prior occurrences on the same order.

A new service date may be established that is prior to the original standard or negotiated interval service date if the Telephone Company determines it can accommodate the customer's request without delaying service dates for orders of other customers. If the service date is changed to an earlier date, the customer will be notified by the Telephone Company that Expedited Order Charges as set forth in (D) following will apply. Such charges will apply in addition to the Service Date Change Charge.

A Service Date Change Charge will apply, on a per order per occurrence basis, for each service date changed. The applicable charge is:

	USOC	Charge	
Service Date Change Charge, per order	OMC	\$24.70	(R)

A Service Date Change Dispatch Charge will apply per occurrences when a technician is dispatched to the customer's premises and the customer is not ready for service. The applicable charge is:

	USOC	Charge
Service Date Change Dispatch Charge , per occurrence	VT6DN	\$200.00

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ACCESS SERVICE

6. Switched Access Service

6.9 Rates and Charges (Cont'd)

6.9.1 Switched Transport (Cont'd)

(D) Chargeable Optional Features

(1) Operator Transfer Service

Per Call

- Per Call Transferred	.28
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(2) Inward Assistance Service

- Per Call Transferred	0.90
- Per Busy Line Interrupt	1.10
- Per Operator Assistance	0.65

(3) Signal Transfer Point
(STP) AccessUSOCMonthly
RateNonrecurring
Charge

- Per Port	PT8SX	\$433.90	\$475.00
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(4) Signal Switching
Per MessageUSOCPer Signaling
Message

- IAM	0.000228
- TCAP	0.000150

(5) Signal Tandem Switching
Per Message

- IAM	0.000316(R)
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(6) Signal Transport
Per Message

- IAM	0.000098
- TCAP	0.000075

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ACCESS SERVICE

6. Switched Access Service

6.9 Rates and Charges (Cont'd)

6.9.2 End Office (Cont'd)

(D) Common Switching Optional Features (Cont'd)

	<u>FID/USOC</u>	<u>Recurring Rate</u>	<u>Nonrecurring Charge</u>
Called Directory Number Delivery (FGC, D)			
- Per Message	CDND	.003112	None
Calling Billing Number Delivery (Automatic Number Identification) (available with FGC and FGD)			
- Per Message	ANI	.003108	None
Basic Initial Address Message Delivery			
- Per Message		.000600	
Signal Formulation			
- Per Message			
- IAM		.000451(R)	
- TCAP		.000450	

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